



SUPPLIER VISIT REPORT 2012 WITH UPDATE FROM 2014

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1 Introduction

In March 2012 we (Dave Harvey and Ben Lewis) paid a visit to our Indian suppliers, Aspiration International and Asha Handicrafts. The aim was to get to know them a bit better, discuss some design and quality issues, and check out their fair trade credentials. This is our report on the fair trade side of our visit

2 Supplier backgrounds

2.1 Aspiration International

Aspiration International is a company based in Delhi, founded by Padam Kapoor in 1993. Padam used to work in handicraft development for the Indian government, but felt that he could do more to help economically weak artisans through establishing a private company that would buy and export their products, giving them a dependable and fair wage. Aspiration allows the producer groups to remain independent, giving them interest free advances and quality feedback.

Aspiration supply Oxfam in Australia and Shared Earth in the UK. Our initial contact with them was through Shared Earth, and we later received a positive reference from Oxfam.

2.2 Asha Handicrafts

Asha Handicrafts is a not-for-profit body based in Mumbai. Founded in partnership with Tearfund, Asha has Christian origins but focuses on social action rather than evangelism. Asha source crafts from all over India, but they have three members of staff based in Saharanpur, working with the producer groups to ensure fair trade transparency, good working conditions, and provide business training and quality control. All profits are ploughed back in to social and development initiatives for the artisans.

We made contact with Asha through Shared Earth, and we received a glowing reference about them from Ten Thousand Villages. They are a larger organisation than Aspiration, with producers groups all over India.

3 Visits to Aspiration International

We visited on 10th March with a member of staff from Aspiration (Gaurav Kapoor), and again on 14th March with Caleb Neopanay (our independent translator). For the first visit we focused more on quality and design development, whilst during the second visit we asked the craftsmen about pay and conditions – the hope being that any problems would come to light more easily without any representative from Aspiration present.

3.1 Aspiration visit on 10th March

We met Amir Khan, head craftsmen, and his sidekick Shahid (spelling?).

Amir used to have a workshop in Nagina, but moved to Saharanpur because it was easier to get hold of supplies there.

He asked us not to have the craftsmen play Pucket, for fear that the game design be leaked and spread to other workshops. He told a humorous story to try to illustrate his point:

America orders lots of frogs from various countries round the world. They arrive in barrels. When the Indian barrels are delivered, the US inspectors notice that the covers are dislodged. They try to refuse the delivery, saying “all the frogs will have escaped!”. The Indian shippers reply “No, no, don’t worry. If any frogs tried to get out, then the other ones would grab their legs and pull them down again”.

Although other workshops making Pucket is not such a problem for us, we followed his wishes so as not to upset him.

Amir has three workshops:

1. a power workshop for cutting, sanding, and gluing frames
2. a much larger finishing workshop for polishing and assembling with plywood.
3. A small workshop for preparing plywood (filling, sanding, spray colour, spray gloss, and wax)

In addition, Gulfam and Imran are coming on board with their workshops which they own, in order to supplement supply. We visited Imran’s house – it was colourful, clean, and well kept, especially compared to the litter-strewn streets roundabout. We talked to his wife and 3 daughters – one of whom spoke decent English.

We spoke to each of the head craftsmen – telling them our plans for the year, expressing our hope that we provide a good livelihood for them, and that they in turn can provide good work for their junior craftsmen. We also spoke to the craftsmen as a group, thanking them for their work and saying we would return to speak in more detail on Wednesday.

3.2 Aspiration visit on 14th March

3.2.1 *Workshop 1 - power workshop*

Observations

A deep workshop, about 15ft by 40ft. Quite dusty. There was a thick layer of wood dust and debris on the floor. There were about 4 craftsmen. Tools included a band saw, sander, and polisher. All were electric but powered by a diesel generator. No one was wearing masks. The bandsaw had wooden protection around the top and sides of the saw, and could be depowered quickly via a lever that pushed off the drive belt. However, I thought that the operator’s fingers were getting quite close to the blade. Nonetheless, he seemed well practiced and quite unfazed by the danger – he also looked to be in his mid fifties, well dressed, and most importantly still had all his fingers.

Interviews

We picked the two youngest looking craftsmen to interview: Nawab Ahmad (NA), and Usman Khan (UK).

Both had worked as carpenters since 10 years old, and were educated (to 5th standard) before that. Both are from Saharnpur, and had been working for Amir for 2 years.

NA is married with one son. Both live with their parents.

We asked them what they did for fun – this provoked a smile and a pause. They both watch films, and NA likes playing a game where you hit a scrap piece of wood the largest distance possible by striking it with another, longer piece of wood.

They claimed that they had no problem seeing a doctor when sick.

Hours of work are 9 am 8pm, with one hour for lunch. Fridays are off.

They take home Rs 300 per day, paid weekly. Sometimes Amir doesn't have any work for them, and then they get local work. But they said they do manage to get work of one sort or another all year round.

We asked them about the dust – they said they don't want to wear masks as it makes it hard to breathe – Amir had even asked them to wear masks but they refused. When we asked them what they would change about their work if they could, they said they would install an extractor fan for the dust.

3.2.2 Workshop 2 - finishing

Observations

Larger than the power workshop, approximately 40ft x 60ft. About 20 craftsmen (2 or 3 of them working on products other than Pucket). The building was single storey, with a high ceiling. A large hole (about the size of a family car) was in the roof, which gave nice light and ventilation (and would of course let all the rain in during the monsoon). A generator provided power for several tools for polishing and sanding.

Only about half the floor space was used. Most craftsmen were working on the floor, sitting on a large rug.

Interviews

We spoke first to the finishing team: Mohommed Dilshad, Nashir, Azhar, Nassim, and Ifran.

They have been working with Amir for 3 ½, 7, 8, 3 ½, and 7 years respectively.

Most are married with kids. Their children all attend private schools.

For fun they spend time with family, watch TV and movies.

All are from Saharanpur.

We asked what happens about work when they get sick, they said they still get paid.

Hours are from 6 – 9 pm, with lunch from 1 – 2pm. They earn 350 to 400 rupees per day. This is paid monthly, sometimes with advances in case of special need (interest free).

Secondly we spoke to the polishing team: Mohammad Taswar, Mohammad Mehfoz, Mohommad Jhangir, and Mohommad Shanawaz.

They have all worked for Amir for 2 ½ years. We asked them how working for Amir was different than previous employers: they said Amir pays better, and they have fewer problems and disputes.

All are married except Shanawaz. Taswar and Mehfoz have 3 and 4 kids respectively, whilst Janghir is newlywed. Taswar and Janghir are brothers.

They spend their free time with family.

Hours of work are 9 am to 8/9 pm (they sometimes leave early if tired).

Pay is 300 – 400 rupees per day. This is based on a piece rate. The higher end is achieved when the electricity is working.

If Amir has no work for them they either take unpaid leave or other piece rate work in the local area.

They say they have no problem seeing a doctor with their pay.

We asked them what they would change about their workplace if they could – they at first misunderstood the question, saying “we’ll make any changes you want, just speak to our head craftsmen and he’ll pass the instructions on to us.” Then Amir interjected, saying “they don’t really have time for that kind of thinking – their focus is on providing for their families”. Amir said that there is solidarity between the management and workers in case of need.

We asked the craftsmen what their future hope was for their families – they replied that they depended on God.

3.2.3 Workshop 3 - plywood preparation

Observations

A smaller workshop, centred around a small courtyard (approx 15 ft by 15 ft). Workers sit on the floor in the courtyard. Buildings around the courtyard contain supplies etc.

When we visited the second time (ie. for our fair trade inspection, rather than to discuss quality issues) there were only two workers, **Firoz** and **Sarafat**. Whereas there had been about 6 workers on our first visit. We were told there can be up to 25 workers when deadlines loom. Sarafat is the head craftsmen.

This workshop is used to make the plywood bases of the Pucket games. Plywood boards are filled, sanded, spray painted and varnished.

We were concerned to see that the workers were not using gloves to protect their hands when applying filler, nor using masks when spraying paint and varnish. The paint and varnish smelled of petrochemicals. I examined the tins carefully and could not find any health warnings. Sarafat assured me that they were lead free.

The spraying machine was powered by electricity, but did not have a plug. Instead, the bare ends of the cable were hooked over two live nails on the wall. Small sparks were emitted on contact. There was obviously danger of electrocution. When we quizzed them about this, they said that their plug kept breaking, and were obviously proud of their home-made solution.

Interview

Firoz is 17 years old and single, Sarafat is 40 and married with 4 children. Both are from Saharanpur. Sarafat has worked with Amir for the last year, and Firoz has

worked for Sarafat for the last 4 years. Their hours are 10am until 10pm, with a ½ hour lunch break. They are paid per piece. They said that they have no problem seeing a doctor when they are sick.

They are paid 8 rupees per piece, and complete about 50 pieces per day. That amounts to 300 rupees for an 8 hour day, and 450 rupees for a 12 hr day.

In free time, Firoz likes to watch TV, sleep, and play cricket. Sarafat plays Carom and spends time with his family.

When we asked them “if there was one thing you could change about your work, what would it be?”, they looked a bit puzzled. Eventually Sarafat said that he liked this kind of small scale work – he wouldn’t make any changes.

4 Visits to Asha Handicrafts

We visited Asha on the 13th and 14th March. The first visit was with two staff members: Ivan Carvalho and Biswajit Das. Ivan works at the head office in Mumbai, whilst Biswajit is living in Saharanpur. The second visit was without any Asha staff, relying instead on our independent interpreter: Caleb Neopaney.

4.1 Asha visit on 11th March

We asked Ivan about what changes Asha brings to the workshops it uses. He mentioned:

- They don’t try to pay especially high wages – just 5% above the market average, but with many other benefits.
- Water filters, fire extinguishers, 1st aid kits, gloves (if necessary) and safer electrical wiring are provided for the workshops. Sometimes safety glasses are provided, but it’s hard to get the workers to use them.
- Educational assistance grants are provided for artisan’s children – priority for girls. 1,000 – 2,0000 Rs per child per year. Used for books, bags and uniforms.
- Families can receive LPG cooking facilities (a vast improvement on the likely alternative of burning wood dust, which causes respiratory and eye problems)
- Solar lanterns are provided for families, enabling children to study after dark even when there are power cuts.
- Improve record keeping – eg. signed payslips in duplicate for artisans
- Minimum 50% of Asha’s net profits must be used for social programmes, with the rest used for development (eg. Increasing capacity, grants for investing in capital equipment).

4.2 Asha’s workshop

Asha Handicrafts have our games made by Satish Kumar Dhiman’s workshop.

We met Satish in his office next door to the workshop. The neighbourhood was MUCH cleaner than the other streets we’d seen – Ivan said this is because it is a Hindu part of town. We asked Satish about his history of working with Asha. He said he started with them in 2001. Before that Satish was doing work for commercial operators – but he said that he had some bad experiences from not being paid.

In order to begin working with Asha he had to open up his Workshop for inspection, which he said was initially very worrying. His first order from Asha was on 12 May 2001, for Rs 2000. He now turns over Rs 4,000,000 (about £50,000) p.a.

We asked him what being “Fair Trade” means for his workshop. He gave the following answers:

- Greater transparency
- Good wages for artisans:
 - o Artisans are paid a wage all year round – even in slack season (Nov, Dec, and Jan)
 - o Artisans are aged 20 and up.
 - o Almost all school age children of artisans attend school
 - o Offers advances without interest in time of need
- Better facilities:
 - o Water filters and fire extinguishers in the workshop
- Monitoring of artisans’ home environment:
 - o Some families are provided with LPG cooking
- Care for the environment

We asked him what challenges he faces. He said that frequent electricity cuts are a major problem, and running the generator is expensive. The rain in monsoon also makes it hard to work.

We asked what is his hope for the future for his business – he said he wants to continue to grow. For his workers, he said he hopes they remain loyal and happy.

In order to see what his constraints on growth are, we asked him how much interest he has to pay when taking out loans. He said it is about 13.5% p.a.

He has a family: wife and 4 children aged 16, 14, 11, and 6. All daughters apart from the 11 year old son.

We made a brief visit to the workshop. There was a large storage yard, with steps leading down into the workshop. The room was large, about 25ft by 25ft. The floor was cut into the ground, and the ceiling was about 15ft above. There were about 15 craftsmen working inside. There was plenty of dust on the floor and in the air, but the craftsmen were wearing masks. An extractor fan was fitted at one end. It didn’t appear to be particularly powerful, but we later learnt that they cannot blow the dust out forcefully as the neighbours complain – the outside of the extractor fan had a hood to force the dust down on to the ground. The entrance to the workshop, together with some openings in the brick work, allowed for ventilation from the other end. We saw a couple of fire extinguishers.

There was a diesel generator inside the workshop that gave some cause for concern: the exhaust didn’t quite lead to the outside, it stopped ½ a metre from the door and was pointing out. However, there was no smell of fumes inside the workshop.

There was some messy wiring hanging down from walls and ceiling. Some bare live wires were visible, and connections were being made “wire to wire” rather than with plugs and sockets.

Asha visit on 14th March

We asked Satish about timber sourcing. He said he buys timber from a timber merchant, who in turn buys from an auction. He said it would be difficult for him to buy direct from an auction because he doesn't buy in high enough quantity.

He showed us payslips signed by the artisans (paid per piece) and his quote to Asha for the cost of making Pucket games. The cost had a breakdown for different stages of labour and materials.

4.2.1 Interviews with craftsmen

We spoke to all the craftsmen together as a group. We asked how long they had been working for Satish – they said 11, 10, 8, 2, 10, 4, 12, and 8 years. We asked how working for Satish was different from other employers, they said that they were treated better, that they had received solar lamps, and some had received LPG cooking facilities. They said they are able to see a doctor OK when sick.

Their hours of work are 9 – 6 with lunch from 1 – 2. Nearly all the craftsmen had kids, all of which go to private school. They said they earn 200 – 250 Rs per day. For fun they watch TV, play with their kids, and play cricket. They don't drink.

We encouraged them to be proud of their work for Pucket – telling them that Pucket games had been delivered to Buckingham Palace. We said we hoped to continue to provide good work for them.

5 UPDATE from visit to Asha on 16th - 19th January 2014

I (Dave Harvey) visited Asha's workshop on 16th to 19th January. The main purpose of the trip was product development – redesigning Rollet to make it less susceptible to warping.

At the same time I made a close inspection of the workshop. Some major changes were evident:

- The open courtyard part of the workshop is now covered by a corrugated metal roof.
- A very deep storage cellar under the office has been divided into two storeys, so that the extra space can be used for packing and quality control.
- I was very pleased to see the generator exhaust now leading all the way outside the building – I had mentioned to Satish in 2013 that subsequent orders would be forthcoming once this problem was sorted. Asha told me that they have just given Satish a new grant to buy a better generator that will allow for increased capacity.
- The electrical wiring is vastly improved. Plugs and sockets had been newly fitted following similar threats I made in 2013.

I was pleased to see the same workers there from previous trips. There is evidently very low staff turnover.

Whilst working on product development one evening, Rajesh (the Asha representative I was with) got talking to two of craftsmen. He told him that they would prefer if the workshop was less dusty. This is interesting – we had asked all the workers about dust in previous interviews, and they all said they didn't mind it. Evidently they are less inclined to complain in a formal interview with their western buyer.

Once the new generator is installed it will be possible to power better dust extraction, with suction happening at each tool rather than at the end of the workshop. I will be working with Asha to have this project at least costed up if not completed in 2014.

6 Annexed document - Ten Principles of Fair Trade

Extract from the website of the World Fair Trade Organisation (www.wfto.com).

WFTO prescribes 10 Principles that Fair Trade Organizations must follow in their day-to-day work and carries out monitoring to ensure these principles are upheld:

Principle One: Creating Opportunities for Economically Disadvantaged Producers

Poverty reduction through trade forms a key part of the organization's aims. The organization supports marginalized small producers, whether these are independent family businesses, or grouped in associations or co-operatives. It seeks to enable them to move from income insecurity and poverty to economic self-sufficiency and ownership. The organization has a plan of action to carry this out.

Principle Two: Transparency and Accountability

The organization is transparent in its management and commercial relations. It is accountable to all its stakeholders and respects the sensitivity and confidentiality of commercial information supplied. The organization finds appropriate, participatory ways to involve employees, members and producers in its decision-making processes. It ensures that relevant information is provided to all its trading partners. The communication channels are good and open at all levels of the supply chain.

Principle Three: Fair Trading Practices

The organization trades with concern for the social, economic and environmental well-being of marginalized small producers and does not maximize profit at their expense. It is responsible and professional in meeting its commitments in a timely manner. Suppliers respect contracts and deliver products on time and to the desired quality and specifications.

Fair Trade buyers, recognizing the financial disadvantages producers and suppliers face, ensure orders are paid on receipt of documents and according to the attached guidelines. An interest free pre-payment of at least 50% is made if requested.

Where southern Fair Trade suppliers receive a pre payment from buyers, they ensure that this payment is passed on to the producers or farmers who make or grow their Fair Trade products.

Buyers consult with suppliers before canceling or rejecting orders. Where orders are cancelled through no fault of producers or suppliers, adequate compensation is guaranteed for work already done. Suppliers and producers consult with buyers if there is a problem with delivery, and ensure compensation is provided when delivered quantities and qualities do not match those invoiced.

The organization maintains long term relationships based on solidarity, trust and mutual respect that contribute to the promotion and growth of Fair Trade. It maintains effective communication with its trading partners. Parties involved in a trading relationship seek to increase the volume of the trade between them and the value and diversity of their product offer as a means of growing Fair Trade for the producers in order to increase their incomes. The organization works cooperatively with the other Fair Trade Organizations in country and avoids unfair competition. It avoids duplicating the designs of patterns of other organizations without permission.

Fair Trade recognizes, promotes and protects the cultural identity and traditional skills of small producers as reflected in their craft designs, food products and other related services.

Principle Four: Payment of a Fair Price

A fair price is one that has been mutually agreed by all through dialogue and participation, which provides fair pay to the producers and can also be sustained by the market. Where Fair Trade pricing structures exist, these are used as a minimum. Fair pay means provision of socially acceptable remuneration (in the local context) considered by producers themselves to be fair and which takes into account the principle of equal pay for equal work by women and men. Fair Trade marketing and importing organizations support capacity building as required to producers, to enable them to set a fair price.

Principle Five: Ensuring no Child Labor and Forced Labor

The organization adheres to the UN Convention on the Rights of the Child, and national / local law on the employment of children. The organization ensures that there is no forced labor in its workforce and / or members or homeworkers.

Organizations who buy Fair Trade products from producer groups either directly or through intermediaries ensure that no forced labor is used in production and the producer complies with the UN Convention on the Rights of the Child, and national / local law on the employment of children. Any involvement of children in the production of Fair Trade products (including learning a traditional art or craft) is always disclosed and monitored and does not adversely affect the children's well-being, security, educational requirements and need for play.

Principle Six: Commitment to Non Discrimination, Gender Equity and Freedom of Association

The organization does not discriminate in hiring, remuneration, access to training, promotion, termination or retirement based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, HIV/Aids status or age. The organization provides opportunities for women and men to develop their skills and actively promotes applications from women for job vacancies and for leadership positions in the organization. The organization takes

into account the special health and safety needs of pregnant women and breast-feeding mothers. Women fully participate in decisions concerning the use of benefits accruing from the production process.

The organization respects the right of all employees to form and join trade unions of their choice and to bargain collectively. Where the right to join trade unions and bargain collectively are restricted by law and/or political environment, the organization will enable means of independent and free association and bargaining for employees. The organization ensures that representatives of employees are not subject to discrimination in the workplace.

Organizations working directly with producers ensure that women are always paid for their contribution to the production process, and when women do the same work as men they are paid at the same rates as men. Organizations also seek to ensure that in production situations where women's work is valued less highly than men's work, women's work is re-valued to equalize pay rates and women are allowed to undertake work according to their capacities.

Principle Seven: Ensuring Good Working Conditions

The organization provides a safe and healthy working environment for employees and / or members. It complies, at a minimum, with national and local laws and ILO conventions on health and safety.

Working hours and conditions for employees and / or members (and any homeworkers) comply with conditions established by national and local laws and ILO conventions.

Fair Trade Organizations are aware of the health and safety conditions in the producer groups they buy from. They seek, on an ongoing basis, to raise awareness of health and safety issues and improve health and safety practices in producer groups.

Principle Eight: Providing Capacity Building

The organization seeks to increase positive developmental impacts for small, marginalized producers through Fair Trade.

The organization develops the skills and capabilities of its own employees or members. Organizations working directly with small producers develop specific activities to help these producers improve their management skills, production capabilities and access to markets - local / regional / international / Fair Trade and mainstream as appropriate. Organizations which buy Fair Trade products through Fair Trade intermediaries in the South assist these organizations to develop their capacity to support the marginalized producer groups that they work with.

Principle Nine: Promoting Fair Trade

The organization raises awareness of the aim of Fair Trade and of the need for greater justice in world trade through Fair Trade. It advocates for the objectives and activities of Fair Trade according to the scope of the organization. The organization provides its customers with information about itself, the products it markets, and the producer organizations or members that make or harvest the products. Honest advertising and marketing techniques are always used.

Principle Ten: Respect for the Environment

Organizations which produce Fair Trade products maximize the use of raw materials from sustainably managed sources in their ranges, buying locally when possible. They use production technologies that seek to reduce energy consumption and where possible use renewable energy technologies that minimize greenhouse gas emissions. They seek to minimize the impact of their waste stream on the environment. Fair Trade agricultural commodity producers minimize their environmental impacts, by using organic or low pesticide use production methods wherever possible.

Buyers and importers of Fair Trade products give priority to buying products made from raw materials that originate from sustainably managed sources, and have the least overall impact on the environment.

All organizations use recycled or easily biodegradable materials for packing to the extent possible, and goods are dispatched by sea wherever possible.